#### 104TH CONGRESS 1ST SESSION

# **S. 1183**

To amend the Act of March 3, 1931 (known as the Davis-Bacon Act), to revise the standards for coverage under the Act, and for other purposes.

#### IN THE SENATE OF THE UNITED STATES

AUGUST 11 (legislative day, JULY 10), 1995

Mr. Hatfield (for himself, Mr. Packwood, Mr. D'Amato, Mr. Campbell, Mr. Specter, Mr. Santorum, and Mr. Stevens) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

# A BILL

To amend the Act of March 3, 1931 (known as the Davis-Bacon Act), to revise the standards for coverage under the Act, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Davis-Bacon Act Re-
- 5 form Amendments of 1995".
- 6 SEC. 2. AMENDMENTS TO THE DAVIS-BACON ACT.
- 7 (a) CONTRACT REQUIREMENTS.—Section 1 of the
- 8 Act of March 3, 1931 (commonly referred to as the

1	"Davis-Bacon Act") (40 U.S.C. 276a et seq.) is amended
2	to read as follows:
3	"SECTION 1. CONTRACT REQUIREMENTS.
4	"(a) Required Provisions.—
5	"(1) IN GENERAL.—A contract described in
6	subsection (b) that requires or involves the employ-
7	ment of mechanics or laborers shall contain a provi-
8	sion—
9	"(A) stating the minimum wages to be
10	paid various classes of laborers and mechanics
11	that shall be based upon the wages that will be
12	determined by the Secretary of Labor to be pre-
13	vailing for the corresponding classes of laborers
14	and mechanics employed on projects of a char-
15	acter similar to the contract work in the locality
16	where the work is to be performed;
17	"(B) which stipulates that the contractor
18	or subcontractor under the contract shall pay
19	all laborers and mechanics under the contract—
20	"(i) unconditionally;
21	"(ii) not less often than once a week;
22	and
23	"(iii) without subsequent deduction or
24	rebate on any account:

1	"(C) which stipulates that the require-
2	ments of subparagraph (A) shall apply to-
3	"(i) laborers and mechanics employed
4	by the contractor or subcontractor to work
5	directly upon the site of the work, includ-
6	ing work at fabrication plants, batch
7	plants, tool yards, rock pits, or similar fa-
8	cilities (other than facilities established by
9	a contractor or subcontractor whose loca-
10	tion and continuance in operation are de-
11	termined wholly without regard to any par-
12	ticular contract work) that are not located
13	on the project site, but the principal pur-
14	pose of such work is to provide construc-
15	tion materials for the project; and
16	"(ii) laborers and mechanics employed
17	by a contractor or subcontractor (otherwise
18	covered by this Act) to transport debris,
19	materials, supplies, and equipment to or
20	from the site of the work (as described
21	herein); and
22	"(D) which stipulates that, after written
23	notice to the contractor, there may be withheld
24	from the contractor under the contract or any
25	contract between the same contractor and the

United States or the District of Columbia or under any federally assisted contract subject to the prevailing wage requirements of this Act so much of accrued payments as may be considered necessary by the contracting officer or by the Secretary of Labor to pay to laborers and mechanics employed by such contractor or any subcontractor on the work the difference between the rates of wages required by such contract to be paid laborers and mechanics on the work and the rates of wages received by such laborers and mechanics and not refunded to such contractor, subcontractor, or the agents of such contractor or subcontractor.

Funds described in subparagraph (D) shall be placed in an interest bearing account until the disposition of the funds is administratively or judicially resolved.

"(2) Posting.—A contractor or subcontractor under a contract described in subsection (b) shall post the scale of wages required to be paid under such contract in a prominent and easily accessible place at the site of the contract work.

"(b) COVERED CONTRACTS.—

1	"(1)	IN	GENERAL.—The	requirements	of	this
2	section sh	all a	apply to—			

"(A) any contract in excess of \$100,000 to which the United States or the District of Columbia is a party for the performance of new construction, including painting and decorating, of public buildings or public works of the United States or the District of Columbia within the geographic limits of the States or the District of Columbia; and

"(B) any contract in excess of \$25,000 to which the United States or the District of Columbia is a party for the performance of repair, rehabilitation, reconstruction, or alteration, including painting and decorating, of public buildings or public works of the United States or the District of Columbia within the geographical limits of the States or the District of Columbia.

"(2) Leases of Real property.—If the United States or the District of Columbia has entered into a contract to lease a building or work, or portion thereof, and if performance of a contract for the construction, alteration, repair, rehabilitation, renovation, or reconstruction of the building or work, or portion thereof, subject to the lease is required for

- fulfillment of the contract to lease, the contract for the construction, alteration, repair, rehabilitation, renovation, or reconstruction of the facility shall be subject to subsection (a) if the contract meets the requirements of paragraph (1).
  - "(3) FEDERALLY ASSISTED.—The requirements of this Act (including the requirements of paragraph (1)) shall apply to any project for the construction, rehabilitation, reconstruction, alteration or repair, including painting and decorating, of buildings or works that are financed in whole or in part by loans, grants, revolving funds, or other assistance from the United States pursuant to a statute that—
    - "(A) is enacted after the effective date of this Act unless exempt or otherwise limited by Federal law; or
    - "(B) contains a provision requiring the payment of prevailing wages as determined by the Secretary of Labor pursuant to this Act.
  - "(4) Adjustments for changes in dollar values.—Beginning with the fiscal year 1995 and every 5 years thereafter, the amounts of the thresholds set forth in paragraph (1) shall be adjusted by the Secretary of Labor to the amount that is equal to the fiscal year 1995 constant dollar value of such

1	amount. Any amount, as so adjusted, shall be round-
2	ed to the nearest \$1,000. The adjusted threshold
3	shall be effective upon publication in the Federal
4	Register to contracts for which bids are solicited or
5	negotiations concluded after such publication.
6	"(5) Prohibition on splitting contracts;
7	WAGES BASED ON CONTRACT OPTION.—
8	"(A) Splitting contracts.—No project
9	that would, if procured under a single contract,
10	be subject to the requirements of this Act may
11	be divided into multiple contracts of lesser value
12	to avoid the application of this Act.
13	"(B) Wages based on contract op-
14	TION.—A contract—
15	"(i) under which work is performed
16	over a period of time beyond that period
17	set forth in the original contract because of
18	the exercise of an option provision con-
19	tained in such contract (as opposed to
20	cases in which a contractor is given an ex-
21	tension of time in which to complete its
22	original contractual commitment); and
23	"(ii) that exceeds the applicable
24	threshold set forth in paragraph (1),

shall include the wages determined by the Secretary of Labor at the commencement of such work to be prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to such work in the locality where such work is to be performed, or in the District of Columbia if such work is to be performed there.

"(6) Preemption.—Neither the requirements of subsection (a) nor the provisions of any other Federal law or regulation related to prevailing wages shall, solely by reason of such prevailing wage provisions preempt the application of requirements for the payment of wages or fringe benefits or both adopted by State, local, or tribal governments otherwise applicable to contracts for the construction, rehabilitation or reconstruction, repair or alteration, including painting and decorating, of buildings and works financed in whole or in part by loans, grants, revolving funds, or other assistance from the United States, unless compliance with such requirement would make it impossible to comply with the requirements of subsection (a).

"(c) Apprentices, Trainees, and Helpers.—

- "(1) APPRENTICES.—An apprentice who is employed under a contract subject to subsection (a) may be paid less than the rate required by such subsection if the apprentice is—
  - "(A) employed pursuant to, and individually registered in, a bona fide apprenticeship program registered with the Bureau of Apprenticeship and Training of the Department of Labor or with a State apprenticeship agency recognized by the Bureau; or
  - "(B) employed in the apprentice's first 90 days of probationary employment as an apprentice in such an apprenticeship program described in subparagraph (A) and is not individually registered in the program but has been certified by the Bureau of Apprenticeship and Training or a State apprenticeship agency (where appropriate) to be eligible for probationary employment as an apprentice.
  - "(2) Trainees.—A trainee who is employed under a contract subject to subsection (a) may be paid less than the rate required by such subsection if the trainee is employed pursuant to, and individually registered in, a program that has received prior approval which is evidenced by formal certifi-

1	cation by the Bureau of Apprenticeship and Train-
2	ing of the Department of Labor.
3	"(3) Helpers.—A helper who is employed
4	under a contract subject to subsection (a) may be
5	paid less than the rate required by such subsection
6	if—
7	"(A) the helper is employed in a classifica-
8	tion of helpers the use of which prevails in the
9	area in which the helper is employed;
10	"(B) the scope of the duties of the helper
11	is defined and is separate and distinct from the
12	duties of either a laborer or a mechanic; and
13	"(C) the helper is not used as an informal
14	apprentice or trainee.
15	"(4) WAGE RATES.—Notwithstanding any other
16	provision of law, no apprentice or trainee will be per-
17	mitted to work under a contract subject to sub-
18	section (a) at less than the prevailing wage rate un-
19	less such apprentice or trainee is registered in a pro-
20	gram described in paragraph (1) or (2).
21	"(d) WAGES.—
22	"(1) Definition.—As used in this Act the
23	terms 'wages', 'scale of wages', 'wage rates', 'mini-
24	mum wages', and 'prevailing wages' shall include—
25	"(A) the basic hourly rate of pay: and

1	"(B) the amount of—
2	"(i) the rate of contribution irrev-
3	ocably made by a contractor or subcontrac-
4	tor to a trustee or to a third person pursu-
5	ant to a fund, plan, or program; and
6	"(ii) the rate of costs to the contrac-
7	tor or subcontractor which may be reason-
8	ably anticipated in providing benefits to la-
9	borers and mechanics pursuant to an en-
10	forceable commitment to carry out a finan-
11	cially responsible plan or program that was
12	communicated in writing to the laborers
13	and mechanics affected,
14	for medical or hospital care, pensions on retire-
15	ment or death, compensation for injuries or ill-
16	ness resulting from occupational activity, or in-
17	surance to provide any of the foregoing, for un-
18	employment benefits, life insurance, disability
19	and sickness insurance, or accident insurance,
20	for vacation and holiday pay, for defraying
21	costs of apprenticeship or other similar pro-
22	grams, or for other bona fide fringe benefits,
23	but only where the contractor or subcontractor
24	is not required by other Federal, State, or local

law to provide any of such benefits,

except that the obligation of a contractor or subcontractor to make payment in accordance with the
prevailing wage determinations of the Secretary of
Labor, insofar as this Act and other Acts incorporating this Act by reference are concerned may be discharged by the making of payments in cash, by the
making of contributions of a type referred to in subparagraph (B)(i), or by the assumption of an enforceable commitment to bear the costs of a plan or
program of a type referred to in subparagraph
(B)(ii), or any combination thereof, where the aggregate of any such payments, contributions, and costs
is not less than the rate of pay described in subparagraph (B).

"(2) OVERTIME.—In determining the overtime pay to which the laborer or mechanic is entitled under any Federal law, the regular or basic hourly rate of pay of the laborer or mechanic (or other alternative rate upon which premium rate of overtime compensation is computed) shall be deemed to be the rate computed under subparagraph (A) of paragraph (1), except that where the amount of payments, contributions, or costs incurred with respect to the laborer or mechanic exceeds the prevailing wage appli-

cable to the laborer or mechanic under this Act, such regular or basic hourly rate of pay (or such other alternative rate) shall be arrived at by deducting from the amount of payments, contributions, or costs, actually incurred with respect to the laborer or mechanic, the amount of contributions or costs of the types described in subparagraph (B) of paragraph (1) actually incurred with respect to the laborer or mechanic, or the amount determined under paragraph (B) of paragraph (1) but not actually paid, whichever amount is the greater.

- "(3) Wage payments in general.—Except as provided in paragraph (4), the obligation of a contractor or subcontractor to make wage payments in accordance with the prevailing wage determinations of the Secretary, insofar as this Act and other Acts incorporating this Act by reference are concerned, may be discharged by—
  - "(A) the making of payments in cash;
- "(B) the making of contributions of a type referred to in paragraph (1)(B)(i);
  - "(C) the assumption of an enforceable commitment to bear the costs of a plan or program of a type referred to in paragraph (1)(B)(ii): or

1	"(D) any combination thereof.
2	"(4) Contributions and Costs.—Unless oth-
3	erwise provided in a bona fide collective bargaining
4	agreement, in discharging the obligation to make
5	wage payments to laborers and mechanics in accord-
6	ance with the prevailing wage determinations of the
7	Secretary of Labor, a contractor or subcontractor
8	may only include contributions described in para-
9	graph (1)(B)(i) and costs described in paragraph
10	(1)(B)(ii) that do not exceed the aggregate of con-
11	tributions and costs determined by the Secretary of
12	Labor to be prevailing. Credit for contributions
13	made to a fringe benefit plan shall be allowed only
14	to the extent that such contributions are based on
15	the effective annual rate of contributions for all
16	hours worked during the calendar year by all the la-
17	borers and mechanics covered by the plan.".
18	(b) Enforcement.—Section 3 of the Act of March
19	3, 1931 (commonly referred to as the "Davis-Bacon Act")
20	(40 U.S.C. 276a-2) is amended to read as follows:
21	"SEC. 3. ENFORCEMENT.
22	"(a) Administrative Procedures.—
23	"(1) Payments.—The Secretary of Labor is
24	authorized and directed to pay directly to laborers
25	and mechanics from any accrued payments withheld

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

under the contract described in section 1(b)(1) or any contract between the same contractor and the United States or the District of Columbia or under any federally assisted contract subject to the prevailing wage requirements of this Act any wages found to be due laborers and mechanics pursuant to this Act. Any sum not paid to a laborer or mechanic under this paragraph by the Secretary of Labor because of inability to do so within 3 years shall be deposited into the miscellaneous receipts of the United States Treasury. If the accrued payments withheld are insufficient to reimburse all the laborers and mechanics with respect to whom there has been a failure to pay the wages required by this Act, the Secretary of Labor or any laborer or mechanic or any organization authorized to represent such laborers or mechanics may, within 180 days of the conclusion of all administrative proceedings, bring an action against the contractor and the contractor's sureties or other responsible parties for the payment of wages found due by the Secretary of Labor. In such an action, it shall be no defense that such laborers and mechanics accepted or agreed to accept less than the required rate of wages or voluntarily made refunds. Any suit instituted under this para-

graph shall be brought in the United States district court for the district in which the contract was performed, where the contractor or subcontractor is currently doing business, or where the contractor or subcontractor maintains its payroll records, irrespective of the amount in controversy in such suit. In such suits, the parties must conform to chapter 7 of title 5, United States Code.

"(2) Debarment.—The Secretary of Labor is authorized and directed to provide the names of persons or firms whom the Secretary has found to have disregarded their obligations to employees and subcontractors or to a contractor, which has made restitution for wage under payments by a subcontractor, to the General Services Administration for inclusion in the Governmentwide List of Parties Excluded From Federal Procurement and Nonprocurement Programs. No contract shall be awarded to the persons or firms appearing on such list or to any firm, corporation, partnership, or association in which such persons or firms have an interest until—

"(A) 3 years have elapsed from the date the names of such persons or firms are entered on the electronic version of such list; or

2

3

4

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

"(B) in the case of a subcontractor that has failed to reimburse a contractor for payments made as restitution for wages under payments by such subcontractor, the contractor is fully reimbursed, including accrued interest.

"(3) AUTHORITY.—The Secretary of Labor shall prescribe standards, regulations, and procedures, in order to ensure coordination of administration and consistency of enforcement of this Act, that shall be observed by the Federal agencies responsible for administration of contracts described in subsection (b) of section 1. The Secretary of Labor and the Federal agencies awarding contracts or providing financial assistance to projects are authorized to investigate compliance by any contractor or subcontractor with the requirements of the Act, and may take such action to secure compliance with such requirements as may be appropriate. The Secretary of Labor shall have the power to issue orders requiring the attendance and testimony of witnesses and the production of evidence under oath. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In the case of contumacy, failure, or refusal of any person to obey the order issued under this paragraph,

any district court of the United States or of any territory or possession, within the jurisdiction of which the inquiry is carried on, or within the jurisdiction of which said person who is guilty of contumacy, failure, or refusal is found, or resides or transacts business, upon application by the petitioner, shall have jurisdiction to issue to such person an order requiring such person to appear before the Secretary of Labor or a representative designated by the Secretary of Labor, to produce evidence if, as, and when so, ordered, and to give testimony relating to the matter under investigation or in question, and any failure to obey such order of the court may be punished by said court as a contempt thereof.

# "(b) REVIEW PROCEDURES.—

"(1) ACTION BY THE SECRETARY.—The Secretary of Labor shall issue regulations providing procedures for making determinations regarding the application of this Act to contracts.

#### "(2) Coverage review.—

"(A) IN GENERAL.—Any interested person, as defined in regulations issued by the Secretary of Labor, shall have the right to request the Secretary of Labor to make a determination regarding the applicability of the Act to a con-

2

3

4

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

tract. Such determination shall be binding upon the Federal agencies awarding contracts or providing financial assistance and any recipient of financial assistance. If the Secretary of Labor notifies the contracting agency that the contract is subject to the Act, the contracting agency shall include in the contract the provisions required by section 1, including any applicable wage determination issued by the Secretary of Labor or the authorized representative of the Secretary of Labor, through the exercise of any and all authority that may be needed (including, where necessary, its authority to negotiate or amend, its authority to pay any necessary additional costs, and its authority under any contract provision authorizing changes, cancellation, and termination).

"(B) Review.—Any person adversely affected or aggrieved by a determination by the Secretary of Labor made on a petition filed pursuant to subparagraph (A), may obtain review of such determination in any United States court of appeals for the circuit in which such person is located, or in the United States Court of Appeals for the District of Columbia,

by filing in such court within 60 days following issuance of such determination, a written petition praying that such determination be modified or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court in which it is filed to the Secretary of Labor and to other interested persons. Review shall conform to chapter 7 of title 5, United States Code.

#### "(c) Administrative Petition Procedure.—

### "(1) PETITION.—

"(A) IN GENERAL.—Notwithstanding any other provision of this Act, any laborer or mechanic employed to perform work under a contract with the United States or the District of Columbia or any other contract described in section 1(b), or any organization authorized by such laborer or mechanic, may file a petition with the Secretary of Labor on behalf of such laborer or mechanic, as well as on behalf of all other similarly situated laborers and mechanics employed by the same employer pursuant to the same contract, for a hearing to determine if wage payments by such employer were made in accordance with section 1(a).

"(B) LIMITATION PERIOD.—The petition described in subparagraph (A) shall be filed in accordance with the limitations period set forth in section 6(b) of the Portal-to-Portal Act of 1947 (29 U.S.C. 255(b)), except that such limitations period shall be tolled if compliance by the employer with the requirements of this Act is under investigation by the Secretary of Labor, or the application of this Act to such contract is being reviewed by the Secretary of Labor.

"(C) DEFENSE.—It shall be no defense that such laborers and mechanics accepted or agreed to accept less than the required rate of wages or fringe benefits, or voluntarily made refunds or authorized deductions from their pay, unless otherwise permitted under the terms of this Act or applicable regulations issued by the Secretary of Labor.

"(2) Referral to the Chief administrative Law Judge.—The petition described in subparagraph (A) of paragraph (1) shall be referred to the Chief Administrative Law Judge of the Department of Labor for assignment to an Administrative Law Judge to make the determination requested by

the petition. No petition shall be referred to the Chief Administrative Law Judge under this section that concerns alleged underpayment of wages or fringe benefits that is already the subject of an administrative proceeding or judicial action initiated by the Secretary of Labor for such wages or fringe benefit payments pursuant to the authority of the Secretary of Labor under this Act.

#### "(3) Hearings.—

"(A) IN GENERAL.—The Administrative Law Judge shall conduct a hearing on the record in accordance with section 554 of title 5, United States Code, with respect to such petition.

"(B) WITHHOLDING OF SUMS.—Upon determination by the Administrative Law Judge that a petitioner is likely to succeed on the merits of the claim of petitioner, the Administrative Law Judge shall notify the Secretary of Labor who shall direct the Secretary of the department or the head of the agency, or contracting authority which entered into the contract subject to the requirements of section 1, to withhold from any amounts payable on account of work performed by the contractor or sub-

contractor under such contract, any other contract described in section 1(b), or any other federally funded or assisted contract the contractor or subcontractor may have with the same contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and reasonable attorney's fees and costs as provided in section 3(c)(5)(B).

"(C) DETERMINATION OF APPLICABIL-ITY.—Any petition that requires a determination of the applicability of the Act shall first be referred by the Administrative Law Judge to the Secretary or Labor for the opportunity to make such a determination.

## "(4) Procedures.—

"(A) WITNESSES AND EVIDENCE.—The Administrative Law Judge shall have the power to issue orders requiring the attendance and testimony of witnesses and the production of evidence under oath. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

"(B) CONTUMACY.—In the case of contumacy, failure, or refusal of any person to obey

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

the order issued under subparagraph (A), any district court of the United States or of any territory or possession, within the jurisdiction of which the inquiry is carried on, or within the jurisdiction of which said person who is guilty of contumacy, failure, or refusal is found, or resides or transacts business, upon an application by the petitioner, shall have jurisdiction to issue to such person an order requiring such person to appear before the Administrative Law Judge or a representative designated by the Administrative Law Judge, to produce evidence if, as, and when so ordered, and to give testimony relating to the matter under investigation or in question, and any failure to obey such order of the court may be punished by said court as a contempt thereof. The Administrative Law Judge shall then issue a decision as to whether wage payments have been made in accordance with section 1(a).

#### "(5) Review by Secretary.—

"(A) IN GENERAL.—Within 60 days of the date of issuance of the decision by an Administrative Law Judge pursuant to paragraph (4), the petitioner or the employer that responded to

1	the petition may request the Secretary of Labor
2	to review the decision of the Administrative
3	Law Judge.
4	"(B) Final agency action.—The deci-
5	sion of the Administrative Law Judge shall be
6	deemed to be a final agency action if no request
7	for review is made within the 60-day period de-
8	scribed in subparagraph (A). If such a request
9	is filed, the Secretary shall review the record
10	and either adopt the decision of the Administra-
11	tive Law Judge or issue exceptions. The deci-
12	sion of the Administrative Law Judge, together
13	with any exceptions, shall be deemed to be a
14	final agency action.
15	"(6) Decision.—The decision of the Adminis-
16	trative Law Judge, or the Secretary of Labor on a
17	petition under this subsection for the review of wage
18	payments under a contract may include—
19	"(A) the awarding of damages to the peti-
20	tioner in an amount equal to the wages or
21	fringe benefit contributions that the responding
22	employer failed to pay in accordance with sec-
23	tion 1(a);
24	"(B) the awarding of damages to the peti-

tioner in an amount equal to twice the amount

1	of wages not paid in accordance with section
2	1(a), if it is found on review of the petition that
3	the responding employer willfully refused to pay
4	wages in accordance with such section; and
5	"(C) in addition to any award to the peti-
6	tioner, a reasonable attorney's fee to be paid by
7	the responding employer and the cost of the ac-
8	tion.''.
9	SEC. 3. AMENDMENTS TO THE COPELAND ACT.
10	Section 2 of the Act of June 13, 1934 (commonly
11	referred to as the "Copeland Act") (40 U.S.C. 276c), is
12	amended to read as follows:
12	"GEG A DEGULATIONS GOVERNMENT GOVERNACIONS AND
13	"SEC. 2. REGULATIONS GOVERNING CONTRACTORS AND
13 14	"SEC. 2. REGULATIONS GOVERNING CONTRACTORS AND SUBCONTRACTORS.
14	SUBCONTRACTORS.
14 15	subcontractors. "(a) Regulations.—
14 15 16	subcontractors.  "(a) Regulations.—  "(1) In general.—The Secretary of Labor
14 15 16 17	subcontractors.  "(a) Regulations.—  "(1) In general.—The Secretary of Labor shall promulgate regulations for contractors and
14 15 16 17 18	subcontractors.  "(a) Regulations.—  "(1) In general.—The Secretary of Labor shall promulgate regulations for contractors and subcontractors engaged in the construction, prosecu-
14 15 16 17 18	subcontractors.  "(a) Regulations.—  "(1) In General.—The Secretary of Labor shall promulgate regulations for contractors and subcontractors engaged in the construction, prosecution, completion, repair, or alterations of buildings.
14 15 16 17 18 19 20	subcontractors.  "(a) Regulations.—  "(1) In general.—The Secretary of Labor shall promulgate regulations for contractors and subcontractors engaged in the construction, prosecution, completion, repair, or alterations of buildings or works subject to the Act of March 3, 1931 (40)
14 15 16 17 18 19 20 21	subcontractors.  "(a) Regulations.—  "(1) In general.—The Secretary of Labor shall promulgate regulations for contractors and subcontractors engaged in the construction, prosecution, completion, repair, or alterations of buildings or works subject to the Act of March 3, 1931 (40 U.S.C. 276a et seq.), or to the requirement of pay-
14 15 16 17 18 19 20 21	subcontractors.  "(a) Regulations.—  "(1) In general.—The Secretary of Labor shall promulgate regulations for contractors and subcontractors engaged in the construction, prosecution, completion, repair, or alterations of buildings or works subject to the Act of March 3, 1931 (40 U.S.C. 276a et seq.), or to the requirement of payment of wages determined in accordance with such

tors to submit, along with each payment request under the contract, a signed statement certifying that all persons employed in the performance of work under the contract have been paid the full amount of wages earned without deductions, except as permitted by regulations under this Act, during the period covered by the payment request and certifying that all payroll records maintained or submitted by the contractor or subcontractor under subsections (b) and

(c) are correct and accurate; and

"(B) requiring lessors to submit monthly, during the period of construction subject to the prevailing wage provisions of the Act of March 3, 1931, a signed statement certifying that all persons employed in performance of work under the contract have been paid the full amount of wages earned without deductions, except as permitted by regulations under this Act, during the period covered by the payment request and certifying that all payroll records maintained or submitted by the contractor or subcontractor under subsections (b) and (c) are correct and accurate.

1	Section 1001 of title 18, United States Code (Crimi-
2	nal Code and Criminal Procedure) shall apply to
3	such statements.
4	"(b) Additional Requirements.—In the case of
5	contracts that exceed the applicable threshold set forth in
6	paragraph (1) of subsection (b) of the Act of March 3,
7	1931 (40 U.S.C. 276a(b)) (as adjusted under paragraph
8	(4) of subsection (b) of such Act), the regulations under
9	subsection (a)(1) shall provide that all contractors and
10	subcontractors shall furnish—
11	"(1) with respect to persons employed to per-
12	form work under such contracts, not later than the
13	10th day of each month, a payroll statement that
14	sets forth at least the—
15	"(A) name and address;
16	"(B) social security number;
17	"(C) employment classification;
18	"(D) number of hours worked daily and
19	during the payroll period; and
20	"(E) hourly rates of wages paid (including
21	rates of contributions or costs anticipated for
22	bona fide fringe benefits), all deductions made,
23	and actual wage paid,
24	for each such person for each payroll period ending
25	during the preceding calendar month; and

1	"(2) at the time such contractors and sub-
2	contractors submit under paragraph (1) the initial
3	and final payroll statements with respect to a con-
4	tract described in this subsection, the—
5	"(A) name and address of each plan, fund,
6	or program—
7	"(i) to which contributions are made;
8	or
9	"(ii) on behalf of which costs are in-
10	curred for bona fide fringe benefits; and
11	"(B) amount of each such contributions or
12	costs.
13	"(c) Payroll Records.—
14	"(1) IN GENERAL.—Each contractor and sub-
15	contractor shall maintain payroll and other basic
16	records relating to payroll as required by regulations
17	issued by the Secretary of Labor and shall preserve
18	the records for a period of 3 years after completion
19	of the contract work.
20	"(2) Submission of Records.—
21	"(A) In general.—The contractor or
22	subcontractor shall submit payroll and related
23	records to the contracting officer or the author-
24	ized representatives of the Secretary of Labor

upon request, and make payroll and related records available for inspection upon request.

- "(B) SUSPENSION OF PAYMENTS.—If a contractor or subcontractor fails to make records available in a timely manner as required herein, the Secretary of Labor or authorized representatives of the contracting officer may suspend all payments to the contractor or subcontractor.
- "(C) STATEMENT.—Notwithstanding the provisions of section 552 of title 5, United States Code, any statement provided under this section, with the exception of social security numbers, may be obtained by any person from any department or agency that is required by law, regulation, or the terms of a contract or grant to maintain a record of such statement.
- "(3) Subpoena testimony and the production of payroll and related records, access to which is provided by this section. Any such subpoena in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(4) DEBARMENT.—The Secretary of Labor 1 2 may debar contractors, subcontractors, or other per-3 sons pursuant to section 3(a)(2) of the Act of March 3, 1931 who fail to submit payroll records when requested to do so or who fail or refuse to make pay-5 roll records available for inspection, including con-6 7 tractors and subcontractors who fail to retain required records, or who maintain or provide false 8 payroll records. 9

"(5) Penalty.—Any contractor, subcontractor, or other person whose duty it shall be to employ, direct, or control any laborer or mechanic employed in the performance of any contract to which this Act applies and who, other than inadvertently, provides false payroll records to the United States under any mechanism provided for in this section, shall be subject to a fine of not to exceed \$25,000.

"(d) APPLICABILITY.—This section shall not apply to any contract or project that is exempt by its size from the application of the Act of March 3, 1931 (commonly referred to as the 'Davis-Bacon Act') (40 U.S.C. 276a et seq.).".

10

11

12

13

14

15

16

#### 1 SEC. 4. CONTRACT WORK HOURS AND SAFETY STANDARDS

- 2 **ACT**.
- 3 (a) REPORTING OF VIOLATIONS.—Section 104(a) of
- 4 the Contract Work Hours and Safety Standards Act (40
- 5 U.S.C. 330(a)) is amended by striking "Comptroller Gen-
- 6 eral of the United States" and inserting "Secretary of
- 7 Labor''.
- 8 (b) Willful or Grossly Negligent Viola-
- 9 TIONS.—Section 107 of the Contract Work Hours and
- 10 Safety Standards Act (40 U.S.C. 333) is amended—
- 11 (1) in subsection (d)(1), by striking "Comptrol-
- ler General" and inserting "General Services Admin-
- istration"; and
- 14 (2) in subsection (d)(2), to read as follows:
- 15 "(2) The General Services Administration shall in-
- 16 clude each name so transmitted on the Governmentwide
- 17 List of Parties Excluded From Federal Procurement and
- 18 Nonprocurement Programs. No contract shall be awarded
- 19 to the person or firm appearing on the list or to any firm,
- 20 corporation, partnership, or association in which such per-
- 21 son or firm has a substantial interest until 3 years have
- 22 elapsed from the date the name of the person or firm is
- 23 entered on the electronic version of the list.".
- 24 SEC. 5. EFFECTIVE DATE.
- The amendments made by this Act shall apply to all
- 26 contracts entered into pursuant to negotiations concluded,

- 1 or invitations for bid issued, on or after 180 days from
- 2 the date of enactment of this Act.

 $\bigcirc$ 

S 1183 IS——2